

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AUTHORIZING SUBMITTAL TO THE CALIFORNIA COASTAL COMMISSION FOR THE CERTIFICATION OF AN AMENDMENT TO THE LOCAL COASTAL PROGRAM AMENDING MUNICIPAL CODE TITLE 17 (ZONING) PERTAINING TO THE CAPITOLA MALL PROPERTY INCLUDING AMENDMENTS TO CHAPTER 17.24 (COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS), CHAPTER 17.76 (PARKING AND LOADING), CHAPTER 17.82 (OBJECTIVE STANDARDS FOR MULTIFAMILY AND MIXED-USE DEVELOPMENT), AND CHAPTER 17.88 (INCENTIVES FOR COMMUNITY BENEFITS), 17.160 (GLOSSARY) AND INTRODUCING A NEW CHAPTER 17.57 (OBJECTIVE DESIGN STANDARDS FOR CAPITOLA MALL REDEVELOPMENT)

WHEREAS, on August 22, 2024, the City Council adopted the 2023-2031 Housing Element of the General Plan ("Housing Element") and Addendum to the General Plan Final Environmental Impact Report;

Whereas, on August 30, 2025, the California Department of Housing and Community Development ("HCD") certified the Housing Element;

WHEREAS, Housing Element Program 1.7 states that the City shall revise development standards in the Zoning Code to facilitate residential development on the Capitola Mall property;

WHEREAS, the Capitola Mall property includes the properties located between Clares Street, 41st Avenue, and Capitola Road;

WHEREAS, the Planning Commission held work sessions on October 2, October 30, and November 19, 2025, to consider Zoning Code amendments for the Capitola Mall in furtherance of Housing Element Program 1.7;

WHEREAS, on October 8, 2025, the City hosted a community meeting, to receive public input on design standards for residential development on the Capitola Mall property;

WHEREAS City staff utilized Planning Commission input and considered public feedback to prepare draft amendments to Municipal Code Title 17 (Zoning) to implement Housing Element Program 1.7;

WHEREAS, the proposed amendments include changes to Zoning Code Chapter 17.24 (Commercial and Industrial Zoning Districts), Chapter 17.76 (Parking and Loading), Chapter 17.82 (Objective Standards for Multifamily and Mixed-Use Residential Development), and Chapter 17.88 (Incentives for Community Benefits), 17.160 (Glossary) and introduce a new Chapter 17.57 (Objective Design Standards for Capitola Mall Redevelopment);

WHEREAS, the proposed amendments would increase allowed building height and floor area ratio (FAR) on the Capitola Mall property, establish objective design standards for Capitola Mall redevelopment, and modify development regulations to facilitate residential and mixed-use development on the Mall property consistent with the Housing Element;

WHEREAS, the amendments also apply the Objective Standards within Chapter 17.82 to the Mixed-Use Village zoning district and Industrial zoning district;

WHEREAS, the Mixed-Use Village zoning district and some properties within the Industrial zoning district are located in the Coastal Zone;

WHEREAS, notice of the Amendments' availability was mailed and public review drafts were

made available on January 8, 2026, in compliance with California Coastal Act public participation requirements and applicable state law;

WHEREAS, the Capitola City Council conducted duly noticed public hearings on February 23rd, 2026, at which the City Council introduced and performed a first reading of an ordinance to adopt the proposed Zoning Code Amendments;

WHEREAS, the City Council determined that the Zoning Code Amendments are consistent with the General Plan and that the revisions would be internally consistent with all other provisions of the Municipal Code;

WHEREAS, the Zoning Code Amendments would become a component of Implementation Plan of the City's Local Coastal Program and is intended to be implemented in a manner that is in full conformance with the California Coastal Act;

WHEREAS, the Local Coastal Program Implementation Plan establishes specific land use and development regulations to implement the Local Coastal Program Land Use Plan, and Title 17 (Zoning) and the Zoning Map are part of Capitola's Local Coastal Program Implementation Plan; and

WHEREAS, the City provided Public Notice, as required under Coastal Act 30514 et seq., for Certification of the LCP Implementation Plan and Corresponding Maps.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the City Council of the City of Capitola, that this Resolution declares and reflects the City's intent to amend the LCP Implementation Plan as it pertains to Chapter 17 (Zoning), as drafted, if certified by the California Coastal Commission, in full conformity with the City of Capitola LCP and provisions of the California Coastal Act.

BE IT FURTHER RESOLVED, that the City Manager or his designee is directed to submit the said Coastal Commission LCP Amendments to the California Coastal Commission for its review and certification. If the Coastal Commission approves the amendment package, it will take effect automatically upon Coastal Commission approval. If the Coastal Commission modifies the amendment package, only the modifications will require formal action by the City of Capitola.

BE IT FURTHER RESOLVED, this resolution shall become effective at such time as Ordinance No. _____ approving the Zoning Ordinance amendments becomes effective, and if such Ordinance has not become effective by December 31, 2026, this resolution shall be deemed to be void and of no further force or effect.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Capitola on the 23rd day of February, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Margaux Morgan, Mayor

ATTEST: _____
Julia Gautho, City Clerk